



Department of Justice

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JUSTICE DEPARTMENT REQUIRES RESTRUCTURING OF ACQUISITION BY AGGREGATE INDUSTRIES PLC OF WAKEFIELD MATERIALS CO.

Divestiture of Boston Area Ready-Mix Concrete Facility Preserves Competition

WASHINGTON, D.C. — The Department of Justice today announced that it will require Wakefield Materials Company to divest a ready-mix concrete facility serving northern metropolitan Boston in order to resolve the Department's antitrust concerns relating to the proposed \$85 million acquisition of Wakefield by Aggregate Industries plc. Wakefield will sell its ready-mix concrete facility in Wakefield, Mass. to J.G. MacLellan Concrete Co., Inc., a ready-mix concrete producer currently operating plants in northeastern Massachusetts and New Hampshire. The Wakefield facility is one of the largest ready-mix concrete facilities in metropolitan Boston.

Ready-mix concrete is composed of cement, crushed stone, sand and various chemical additives. The product is used for, among other things, the construction of commercial and residential buildings, airport runways, bridges, overpasses, roadways and driveways.

According to the Department, the acquisition as initially proposed would have reduced the number of ready-mix concrete suppliers able to service large construction projects in densely populated northern metropolitan Boston from three to two. In northern metropolitan Boston, Aggregate Industries and Wakefield often were each other's most significant competitor. The divestiture of the Wakefield facility to a third-party buyer will maintain competition in the supply

of ready-mix concrete for large construction projects in northern metropolitan Boston.

“The divestiture will ensure that local governments and other customers will continue to receive the benefits of competition for the ready-mix concrete used in the many large construction projects in northern metropolitan Boston,” said Deborah P. Majoras, Deputy Assistant Attorney General in the Department’s Antitrust Division.

Under the agreement reached with the Department, the divestiture of the Wakefield facility must occur before Aggregate Industries may proceed with its acquisition of Wakefield Materials. According to the Department, consumers will benefit from the immediate sale of the facility because the purchaser of the facility will be able to utilize it to compete during the industry’s important upcoming fall season.

In addition to the divestiture of the Wakefield facility, Aggregate Industries has reached an agreement with the Massachusetts Attorney General’s Office that would require it to relinquish the lease held by Wakefield to a ready-mix concrete plant located in Worcester, Massachusetts.

Aggregate Industries, based in England, is a large, publicly traded, multinational construction and construction materials firm with over \$1.14 billion in U.S. sales. In the United States, Aggregate Industries operates primarily in the east, midwest, and mountain states. In eastern Massachusetts, Aggregate Industries has large asphalt concrete, ready-mix concrete, aggregate and road construction operations.

Wakefield is a privately held company and a leading supplier of ready-mix concrete and aggregate in New Hampshire and Massachusetts. In 2001, Wakefield’s sales totaled \$82 million.

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